

DEC 5 1996

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY CWB

In the Matter of:

RUSSELL ELIOT BRANCH,

Respondent.

Docket No. 96A-188

CONSENT ORDER

A Notice of Hearing was issued by the Director ("Director") of the Arizona Department of Insurance (the "Department") on November 20, 1996, wherein the Department made certain allegations of violations of A.R.S. Title 20 committed by Respondent. Respondent received a copy of this Notice. Respondent has been advised of his right to a hearing in this matter, which he waives.

Respondent admits the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Russell Eliot Branch, is currently licensed as a life and disability agent (License No. 10401). That license is due to expire March 31, 1997.

2. On or about March 3, 1995, Mr. Branch submitted a renewal application for the life and disability license that he holds. Mr. Branch had previously renewed his license January 23, 1993.

3. Question F of the 1995 renewal application asks, "ARE ANY criminal, civil, administrative or other judicial or quasi-judicial proceedings of any kind currently pending against you IN ANY jurisdiction?". Mr. Branch answered "No".

4. On or about June 29, 1993, Mr. Branch was indicted in United States v. Christian M. Banes, Russell E. Branch and David Ciccone, No. CR93-22OPHX on

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LICENSING SECTION

1 charges of conspiracy, mail fraud, wire fraud and interstate transportation of money
2 in execution of a scheme to defraud.

3 5. On or about November 15, 1994, Mr. Branch entered into a plea
4 agreement in the above referenced case. Mr. Branch pled guilty to one count of mail
5 fraud, in violation of Title 18 U.S.C.A. §1341, a felony.

6 6. Mr. Branch was required to disclose the existence of the indictment
7 and plea agreement in his 1995 renewal application.

8 7. On or about July 27, 1995, sentence was imposed upon Mr. Branch
9 based on the plea agreement in CR93-220PHX. Mr. Branch was convicted of mail
10 fraud, a felony involving moral turpitude, and sentenced to five years probation.
11 Restitution was ordered in the amount of \$25,200.00.

12 CONCLUSIONS OF LAW

13 1. The Department has jurisdiction in this matter.

14 2. Respondent's conduct alleged above constitutes wilful
15 misrepresentation of any fact required to be disclosed in any such application or
16 accompanying statement within the meaning of A.R.S. § 20-291(G).

17 3. Respondent's conduct alleged above constitutes the existence of any
18 cause for which original issuance or any renewal of the license could have been
19 refused within the meaning of A.R.S. § 20-316(A)(1).

20 4. Respondent's conduct alleged above constitutes a record of
21 dishonesty in business or financial matters in violation of A.R.S. § 20-316(A)(1)
22 together with A.R.S. § 20-290(B)(2).

23 5. Respondent's conduct alleged above constitutes the wilful violation of,
24 or wilful noncompliance with, any provision of this title, or any lawful rule, regulation
25 or order of the director in violation of A.R.S. § 20-316(A)(2).

26 6. Respondent's conduct alleged above constitutes the existence of

1 misrepresentation or fraud in obtaining or attempting to obtain any insurance license
2 in violation of A.R.S. § 20-316(A)(3).

3 7. Respondent's conduct alleged above constitutes a record of conviction
4 by final judgment of a felony involving moral turpitude within the meaning of A.R.S.
5 § 20-316(A)(6).

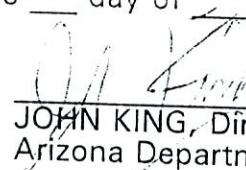
6 8. Grounds exist for the Director to suspend, revoke or refuse to renew
7 Respondent's insurance licenses, impose a civil penalty upon Respondent, and/or
8 order restitution, pursuant to A.R.S. § 20-316(A) and §20-316(C).

9 ORDER

10 NOW, THEREFORE, IT IS ORDERED:

- 11 1. Mr. Branch's insurance license is immediately revoked.
12 2. The hearing set for December 17, at 9:00 a.m. is vacated by entry of
13 this Order.

14 DATED at Phoenix, Arizona, this 21 day of July, 1996.

15
16 
17 JOHN KING, Director
18 Arizona Department of Insurance

18 CONSENT TO ORDER

- 19 1. Branch has review the attached Order.
20 2. Branch is aware of his right to a hearing at which hearing he may
21 be represented by counsel, present evidence and cross-examine witnesses.
22 Branch waives his right to demand a public hearing and to seek judicial review
23 of this Consent Order.
24 3. Branch admits the jurisdiction of the Director of Insurance, State
25 of Arizona, admits the forgoing Findings of Fact, consent to the entry of the
26 foregoing Conclusions of Law and consents to the entry of this Order.

1 4. Branch states that no promise of any kind or nature has been
2 made to induce him to enter into this Order and that he has entered into this
3 order voluntarily.

4 5. Branch acknowledges that the acceptance of this Order by the
5 Director of Insurance, State of Arizona, is solely to settle this matter against
6 him and does not preclude any other agency or officer of this state or
7 subdivision from instituting other civil or criminal proceedings as may be
8 appropriate now or in the future.

9
10 Date Nov. 27, 1996


RUSSELL ELIOT BRANCH

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12
13 COPY of the foregoing mailed
14 this 5th day of December,
1996, to:

15 Office of Administrative Hearings
16 1700 West Washington
Phoenix, AZ 85007

17 Kathryn Leonard
18 Assistant Attorney General
1275 West Washington, Room 259
Phoenix, AZ 85007

19 Charles R. Cohen, Deputy Director
20 John Gagne, Assistant Director
Donna Futrell, Investigator
21 Maureen Catalioto, Supervisor
Department of Insurance
22 2910 North 44th Street, Suite 210
Phoenix, AZ 85018

23 Russell Eliot Branch
24 2602 E. Marilyn Rd.
Phoenix, AZ 85032

25
26 A courtesy copy of this Notice of Hearing has been mailed/delivered to the persons
listed below. If you are listed below, you will receive no further notices or

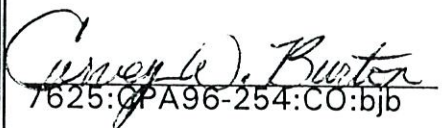
1 documents concerning this matter other than the Director's final order. Information
2 about the status of this matter, including whether the hearings date has been
3 changed, may be obtained by contacting the Department of Insurance at (602) 912-
4 8454 or the Assistant Attorney General identified above, at (602) 542-7719.

5 Centennial Life Insurance Company
6 P.O. Box 470
7 Shawnee Mission, KS 66201

8 ITT Hartford Life & Annuity Insurance Company
9 Hartford Plaza
10 Hartford, CT 06115

11 FHP, Inc.
12 P.O. Box 52078
13 Phoenix, AZ 85072-9500

14 Central Reserve Life Insurance Company
15 CRL Plaza,
16 17800 Royalton Rd
17 Strongsville, OH 44136

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